

VZCZCXR08620
PP RUEHMA RUEHPA
DE RUEHUJA #0217/01 0350930
ZNR UUUUU ZZH
P 040930Z FEB 08
FM AMEMBASSY ABUJA
TO RUEHC/SECSTATE WASHDC PRIORITY 1987
INFO RUEHZK/ECOWAS COLLECTIVE
RUEHOS/AMCONSUL LAGOS 8663
RUCPDOC/DEPT OF COMMERCE WASHDC
RHEBAAA/DEPT OF ENERGY WASHDC
RUEHC/DEPT OF LABOR WASHDC
RHEHNSC/NSC WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHDC
RUEAIIA/CIA WASHINGTON DC
RUEKDIA/DIA WASHDC
RHMFIISS/HQ USEUCOM VAIHINGEN GE
RUFOADA/JAC MOLESWORTH RAF MOLESWORTH UK

UNCLAS SECTION 01 OF 05 ABUJA 000217

SIPDIS

SENSITIVE
SIPDIS

STATE FOR AF/W, INR/AA
STATE PASS TO USTR-AGAMA
DOE FOR CGAY AND GPERSON

E.O. 12958: N/A
TAGS: PGOV PHUM ECON ELAB EPET MOPS KCOR SENV NI
SUBJECT: NIGERIA: POL/ECON UPDATES FOR JANUARY 16-31, 2008

REF: A. ABUJA 183
 B. ABUJA 119
 C. 07 LAGOS 780

THIS CABLE IS SENSITIVE BUT UNCLASSIFIED. NOT FOR INTERNET DISTRIBUTION.

11. (U) Following is a joint Embassy Abuja-ConGen Lagos compilation of January 16-31, 2008 political/economic highlights, which did not feature in our other reporting, covering:

-- Elections: Tribunals, Reforms, Party Politics
-- Corruption
-- Niger Delta
-- Military Affairs
-- National Assembly
-- Human Rights, Labor, TIP
-- Economic News
-- Petroleum

Elections: Tribunals, Reforms, Party Politics

12. (U) At the Presidential Election Tribunal, Independent National Electoral Commission (INEC) Chair Maurice Iwu submitted written responses to 27 questions from Atiku Abubakar's lawyers on January 30. Among his responses, Iwu declared INEC had spent USD 70 million to print ballot papers for the April 21 elections. Iwu denied claims INEC contracted the printing to a South African firm, instead saying a Nigerian company printed an adequate supply of ballots in-country. Iwu also provided a cost and delivery breakdown for the ballot papers according to the date and location of individual elections, and claimed the Supreme Court's late ruling on Abubakar's eligibility prevented the ballot papers from having serial numbers. (Note: Should Abubakar's lawyers find Iwu's responses unsatisfactory, they have the right to ask the Tribunal to order Iwu to provide additional information. The Tribunal adjourned to February 4, at which time a date for final judgment on the Atiku/Buhari consolidated petition will be set. End Note.) (See Ref A)

13. (U) The Supreme Court on January 29 struck out Andy Uba's

(PDP) suit seeking to reverse the Supreme Court's June 2007 decision to annul the April 2007 gubernatorial election results in Anambra state and reinstate Peter Obi (of the All Progressive Grand Alliance, APGA) as governor. Punch newspaper reported the Supreme Court reproached adjoining petitioner, Ifeanyichukwu Okonkwo (of the Nigeria Advance Party), for continuing with his suit after he alleged Obi's lawyer had offered him a USD 85,000 bribe to drop his case. (Note: Chris Ngige (PDP) was sworn-in as governor of Anambra in 2003; however, the courts overturned Ngige's victory in March 2006 and declared Peter Obi (APGA) governor. The gubernatorial elections on April 14, 2007 brought Andy Uba (PDP) to power. On June 14, 2007, the Supreme Court canceled the April election results, on the grounds that no election should have been held as Obi was legally entitled to a 4-year tenure, despite his late installation in office. Obi's tenure expires March 2010. End Note.)

¶4. (U) Nigerian press report on January 18 the Electoral Reform Panel, chaired by former Chief Justice Mohammed Uwais, is set to receive USD 6 million to "execute its activities." Uwais announced the Panel would begin public hearings in the next three months to take stock of private citizens' views across Nigeria on electoral reform (presumably following the Presidential Election Tribunal's judgment on the Atiku/Buhari case, which may be around mid-March). So far, the Panel has received 200 memoranda and reached out to 30 of the nation's 50 political parties for recommendations on electoral reform. Meanwhile, the GON has separately established four sub-committees to be coordinated by Vice President Jonathan to address issues related to elections conduct (See Ref B).

¶5. (U) The National Executive Committee (NEC) of the People's
ABUJA 00000217 002 OF 005

Democratic Party (PDP) fixed March 8 as the date for the ruling party's national convention. Former President Obasanjo retains his position as the Chair of the party's Board of Trustees, despite attempts by the so-called "G-21" to change the party's constitution and potentially remove him. The G-21 is a newly formed pressure group that has emerged within the PDP. Some of the G-21 members have ties to the so-called Integrity Group in the National Assembly and others are known opponents of the former President. Former Senate President Ken Nnamani and former House Speaker Aminu Bello-Masari are reportedly key figures in the G-21 group.

CORRUPTION

¶6. (U) Former governor (PDP) of Edo state, Lucky Igbinedion, returned to Nigeria on January 20 and presented himself to the Economic and Financial Crimes Commission (EFCC) in Lagos State, following 147 counts of stealing public funds, money laundering, and corruption brought against him by the EFCC, according to press reports. Once in custody, the EFCC took Igbinedion to the Enugu Federal High Court which will preside over his case. Nigerian press reports the EFCC has lined up 23 witnesses to testify against Igbinedion.

¶7. (U) The Port Harcourt Federal High Court will render its verdict on March 3 in former Rivers governor Peter Odili's (PDP, 1999-2007) case seeking to inhibit the EFCC from investigating him for corruption. As well, This Day newspaper reports on January 28 a traditional leader in the Niger Delta accused Odili of hiring Delta militant Tom Ateke to rig the 1999 gubernatorial election, which brought Odili to power.

¶8. (U) According to numerous press reports, scandals continue to plague the family of former President Obasanjo. His son Gbenga, who is in the process of a messy divorce, alleged in court documents that the former president slept with Gbenga's wife, and in exchange granted her lucrative government contracts. The former Chief Executive of the Petroleum Technology Development Fund also alleged recently that the former president did not comply with due process in running

the agency.

¶19. (SBU) On January 28, President Yar'Adua approved the appointment of Professor Assisi Asobie as Chairman of the National Stakeholder Working Group (NSWG) of the Nigerian Extractive Industries Transparency Initiative (NEITI). The fourteen members of the NSWG were also announced, who include Mr. Basil Omiyi (Shell Vice Chairman), Mr. Peter Esele (Chairman of Nigerian petroleum workers union PENGASSAN), and Engr. Abubakar Yar'Adua (GMD of the Nigerian National Petroleum Corporation, no relation to the president).

Comment: Embassy officers have heard good things about Asobie. The NEITI international support group, of which Team Nigeria is a key component, expects to meet with Asobie and his team in the coming weeks to discuss a strategy going forward. End Comment.

NIGER DELTA

¶10. (SBU) Gunshots were heard near Borokiri, Rivers State, on January 29 around 0100 hours. Criminals/militants stole boat engine parts and departed the scene while shooting at the military Joint Task Force (JTF), according to security sources. One civilian was reportedly shot in the arm.

¶11. (U) According to press reports, the leader of the Izon Patriotic Front (IPF) threatened legal action against the Bayelsa State Government for dumping waste. The government was purportedly dumping human and other waste along the Tombia-Amassoma road leading to the Niger Delta University.

¶12. (U) On January 18, at least ten people were killed in clashes between rival ethnic groups over land ownership in the Bakassi Peninsula. According to press reports, thousands of people have been wounded and hundreds displaced in past

ABUJA 00000217 003 OF 005

decades, with locally-made weapons being used to enforce competing claims to land.

NATIONAL ASSEMBLY

¶13. (U) On January 22, the Senate passed a bill raising salaries for the President, Vice President, Chief Justice, and other public office holders by an average of 150%. The President's official annual salary increased from USD 11,914 to USD 29,786. There has been subsequent outcry in the press over the salary increases with commentary on funds being better used for education and development.

¶14. (U) A disagreement surfaced January 22 between Senate President David Mark and members of the Appropriations Committee over the deadline for passage of the 2008 Appropriations Bill. Senators argued that due to the late arrival of the revenue profile from the Ministry of Finance they would have to begin the budgetary process again using the updated and significantly different revenue projections.

¶15. (U) The Senate Committee on Public Accounts has decided to invite the past heads of various federal ministries, departments and agencies to explain how over USD 500 million in taxes collected between 1999 and 2004 was never remitted to federal coffers. Senators have suggested the revenue was diverted for personal use by past officials, and the Federal Inland Revenue Service has forwarded information to the EFCC for investigation.

¶16. (U) On January 22, the Senate directed its Committee on INEC to ascertain INEC's preparedness and ability to monitor the redistricting of electoral wards and constituencies, which must happen at least once every 10 years per the 1999 constitution. Concern was expressed by the Chairman of the Committee on Public Accounts, who commented "we need to know that any ward created was not just because somebody is in

INEC, but because it is justified."

¶17. (U) Senate Foreign Relations Committee Chair Jibril Aminu angered some Senate colleagues, who have subsequently called for his removal as chairman, by refusing to confirm the ambassadorial appointments of former Lagos governor Buba Marwa and former senator Polycarp Nwite due to both nominees' unfavorable security reports.

¶18. (U) The Senate referred the Freedom of Information Bill to its Committee on Information and Media with the directive that the bill be given special attention. Senate President David Mark said that the National Assembly is ready to pass the legislation to encourage transparency and reduce corruption. (Note: The Bill was passed by both the Senate and House and sent to former President Obasanjo in March 2007 for approval; however, no action was taken before his departure from office in May 2007. End Note.)

Military Affairs

¶19. (U) North Korean Ambassador to Nigeria Ri Chan Ho announced January 30 Nigeria and North Korea are seeking to create a military pact that will enhance both countries' ability to project power globally. While details of said pact were not revealed, Ri said North Korea could help Nigeria with barracks improvement and boat building.

¶20. (U) On January 20, the GON announced a 15% salary increase for all members of the Armed Forces. The pay hike comes in the face of unrest in the barracks over a January 2007 salary increase that has not been consistently paid out over the course of the year. Discontent has been so great that, per the January 21 edition of This Day newspaper, the general officer sent to speak to soldiers in both Abuja and Lagos "on both occasions had to be smuggled out to safety."

¶21. (SBU) In a private meeting with PolOff, a special

ABUJA 00000217 004 OF 005

assistant to Foreign Minister Ojo Maduekwe revealed the MFA is starting to do outreach to civil society groups on the benefits of Nigerian co-operation with AfriCom. In addition, on January 18, FM Maduekwe was quoted as saying "greater realism and mature diplomacy dictated the GON's action to partner with the U.S. (on AfriCom)," in response to a group of former Nigerian ambassadors' calling for the rejection of working with the new command.

HUMAN RIGHTS, LABOR, AND TIP

¶22. (U) The Nigerian Labor Congress (NLC) has joined other civil society groups in praising the "progressive rulings" of the election tribunals and called on the National Assembly to remove INEC Chair Maurice Iwu. In a communique released at the end of its meeting held January 24 in Yenagoa, (Bayelsa state), the NLC said it would soon spearhead a "national campaign for the removal or resignation of the INEC Chairman."

¶23. (U) According to Senator Chris Anyanwu, a Sexual Offences Bill is slated for presentation before the Senate. The bill focuses on prohibiting child pornography, incest, child prostitution, indecent exposure, and sexual harassment as well as implementing stiffer punishment for such crimes as rape to act as a deterrent. The bill would also criminalize the deliberate transmission of HIV or any other life threatening sexually transmitted disease.

¶24. (U) Despite criticism from the Civil Liberties Organization (CLO) and the Women Unity Forum, Chairman of the Senate Committee on Women and Youth, Senator Eme Ekaette, will soon present a bill to the Upper House that would outlaw indecent dressing. The CLO cited that possible harassment of women by police could result if this bill passes.

¶25. (U) Security agents in Uyo (Akwa Ibom state), arrested Sam Asowata, the chairman of the editorial board of Fresh Facts, a weekly newspaper, along with Mr. Asowata's daughter, and Essien Asuquo Owoh, a distributor of the newspaper. Owoh was charged with "conspiracy to distribute copies of Fresh Facts newspaper with the intent to bring hatred or contempt to the governor of the state." The newspaper was allegedly prepared to publish a story titled "Corruption: Akpabio in N5 Billion Housing Scam," which accuses Akwa Ibom Governor Godswill Akpabio of involvement. All three were released several days later without a trial date announced. (Note: This is not the first time Governor Akpabio has been accused of using intimidation against the press. In June 2007, security agents raided the offices of the weekly magazine Events and seized 5,000 copies of an issue that accused Akpabio of involvement with illegal business transactions. In October 2007, the SSS arrested the editor of Events and held him in detention for three weeks on charges of sedition. End Note.)

¶26. (U) On January 17, police arrested four men for allegedly trafficking 105 boys, aged five to 15 years old, from Kuru village south of Kano to Suleja (Niger state). The police discovered the children when they stopped the vehicle at a checkpoint. The four accused said they were transporting the children to a school in Suleja to study the Koran. Head of the NAPTIP zonal office in Kano, Ahmed Mohamed Bello, said the parents sent their children away with the belief that they would receive an education and a better life; and did not realize the children would most likely become street beggars or forced into domestic labor. All 105 children have been returned to their families.

ECONOMIC NEWS

¶27. (SBU) Post has approved Avian Influenza Tripwires and Response Plan that will now be included in the Crisis and Emergency Planning Application (CEPA). The new tripwires had to take into consideration the one confirmed case from last year as well as entering the high season of outbreaks.

ABUJA 00000217 005 OF 005

¶28. (U) Dr. Newton Jibunoh a 70 year old Nigerian and retired CEO/Chairman of Costain/West Africa, international engineering and construction firm, will be leading an expedition across the Sahara to raise awareness of the effects desertification, drought, climate change, and environmental degradation in Africa. The expedition is scheduled to depart from Lagos on 24 February and last 60 days. His expedition will be documenting and broadcasting the trip. Dr. Jibunoh, his publicist and publisher have been accepted into the Voluntary Visitors Program and plan on traveling to the United States shortly after their trip to share their experience.

PETROLEUM

¶29. (SBU) A senior Chevron executive told the Lagos Consul General that he "has no idea" when gas from Chevron's western oilfields will flow into the West African Gas Pipeline (WAGP). The executive discounted press reports that gas would begin flowing in January, saying the pipeline may be technically operational by then, but it "won't have any gas." The issue remains the integrity of the Escravos to Lagos Pipeline (ELP) that connects Nigeria's western oilfields with the WAGP (REF C). According to Chevron, Ascot Offshore Nigeria Ltd, the contractor working to repair the gas pipeline, is in financial distress and could face bankruptcy within days. (Note: Ascot bought the pipeline construction business from American firm Willbros, when that company exited the Nigerian market in 2007. End Note.) The executive was very pessimistic that ELP would ever be a reliable input

into WAGP. He remarked that Chevron had initially wanted to build an offshore connection from its western oilfields to WAGP.

SANDERS